

DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority**WILLIAM P. WOOD**
California Corporations Commissioner
Sacramento, CaliforniaIN REPLY REFER TO:
FILE NO: PRO 17/01**NOTICE OF PROPOSED FINAL TEXT OF RULES OF
THE COMMISSIONER OF CORPORATIONS UNDER THE
CORPORATE SECURITIES LAW OF 1968**

To Interested Persons:

On November 21, 2003, the California Corporations Commissioner published a Notice of Proposed Changes regarding the proposed amendment of Section 260.102.14 of the Commissioner's rules under the Corporate Securities Law of 1968 (see California Regulatory Notice Register 2003, No. 47-Z).

Because the final text of the proposed action differs from the text dated November 7, 2003, a copy of the final text is being made available to the public in accordance with the requirements of Government Code Section 11346.8(c). The final text showing modifications to the rules is attached. Additions to the text are shown by double underlining and deletions are shown by double strike-out.

REASONS FOR CHANGES

Effective January 16, 2004, Section 260.102.14 of Title 10 of the California Code of Regulations was amended by emergency to clarify the time for filing the notice required under that rule. Therefore, all changes proposed in this rulemaking action for subsections (a) through (d) will not be adopted in this rulemaking action, so as not to impact the emergency amendments effective January 16, 2004. A copy of the text of that emergency regulation is included with this notice.

Additionally, subsection (e) is being amended to indicate (1) how to pay the filing fee electronically, and (2) when an electronically filed notice is deemed made.

♦ Securities ♦ Franchises ♦ Off-Exchange Commodities ♦ Investment and Financial Services ♦
♦ Independent Escrows ♦ Consumer and Commercial Finance Lending ♦ Residential Mortgage Lending ♦

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The initial statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the Office of Law and Legislation at the Sacramento office of the Department of Corporations. Request Document PRO 17/01. The final statement of reasons will be available at the conclusion of this proposed action, pursuant to the requirements of the Administrative Procedure Act.

As required by the Administrative Procedure Act, the Office of Law and Legislation maintains a hearing file containing all the information upon which the proposal is based. The rulemaking file is available for public inspection during regular business hours. Comments or inquiries concerning these proposed regulation changes may be directed to Colleen Monahan, Corporations Counsel, at (916) 322-3553.

Notice is also given that any interested person may present comments relevant to the proposed action by a written communication addressed to the California Corporations Commissioner.

Comments may be submitted by a written communication addressed to:

California Corporations Commissioner
Attn: Kathy Womack, Associate Analyst
Office of Law and Legislation
1515 K Street, Suite 200
Sacramento, California 95814

Comments must be received on or before 5:00 p.m., February 23, 2004. Written comments may also be sent to Kathy Womack via electronic communication at regulations@corp.ca.gov or via fax at (916) 322-3205.

NOTE: The proposed changes to the Commissioner's rules under the Corporate Securities Law of 1968 set forth above and in the attached final text are not yet effective. When it is known whether the changes to the Commissioner's rules will become effective as proposed, and if so, when, the information will be posted on the Department's website (www.corp.ca.gov) and distributed in the same manner as this notice.

Dated: February 6, 2004
Sacramento, California

TIMOTHY L. Le BAS
Deputy Commissioner & General Counsel
Office of Law and Legislation

